

Message Text

LIMITED OFFICIAL USE

PAGE 01 SEOUL 00753 270808Z
ACTION EA-12

INFO OCT-01 ISO-00 XMB-02 COME-00 EB-08 CIAE-00 INR-07
NSAE-00 OMB-01 SSO-00 INRE-00 /031 W
-----049458 270813Z /13
O 270738Z JAN 78
FM AMEMBASSY SEOUL
TO SECSTATE WASHDC IMMEDIATE 8983

LIMITED OFFICIAL USE SEOUL 0753

DEPT PASS: US EXIM BANK
FOR HOUSTON OR HEIDRICH

E.O. 11652: N/A
TAGS: BEXP KS
SUBJ: KORI 3 AND 4 FINANCING

1. GE, BIDDING ON TURBINE-GENERATORS TOLD US TODAY THAT
FINANCING TERMS ARE STILL A PROBLEM, DESPITE MAJOR
IMPROVEMENT OFFERED BY REF A.

2. ECON COUNSELOR DISCUSSED MATTER WITH KIM YUNG OOK OF
KECO WHO INDICATED THAT SUPPLIERS HAD BEEN ASKED FOR ONE
LAST PRICE OFFER TODAY BY 5:30 PM, THAT KECO WOULD SPEND
THE WEEKEND REVISING THEIR EVALUATION AND THAT IF THE
FINANCING TERMS WERE THE DIFFERENCE AND IT WAS A MATTER OF
1/4 TO 1/2 PERCENT, HE WOULD LET US KNOW SO THAT WE COULD
GO BACK TO EXIM.

3. KIM SUBSEQUENTLY CALLED TO SAY THAT KECO WOULD LIKE
SOME INDICATION OF EXIM'S WILLINGNESS TO IMPROVE ITS
TERM (E.G. EXTENDING PERIODS, ADJUSTING INTEREST AND FEES)
AND HOW FAR THEY WERE WILLING TO GO FOR USE IN WEEKEND
EVALUATION AND WOULD LIKE TO KNOW FIRST THING SATURDAY
LOCAL TIME.

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4. ECON COUNSELOR HAD PREVIOUSLY SAID HE BELIEVED EXIM
MANDATE ALLOWED IT TO CUT TERMS WHERE FINANCING HAD
BEEN USED TO SELL AN ITEM AGAINST AN OTHERWISE BETTER
AMERICAN OFFER. WE DID NOT BELIEVE EXIM WOULD WANT TO
HAGGLE ON ITS TERMS BUT WOULD NEED TO KNOW PRECISE OFFERS
IN ORDER TO MAKE A RESPONSIVE COUNTER OFFER. (KIM DID

NOT GO INTO SWISS TERMS OTHER THAN TO NOTE THEY HAD
MADE THREE BASIC OFFERS: 5 YEAR FLOATING
RATE OF 5.25 PERCENT, 10 YEAR FLOATING RATE OF 5.5
PERCENT AND FIXED RATE OF 5.875 PERCENT). WE WOULD ONLY
RECOMMEND THEREFORE, THAT EXIM INFORM KECO THAT IT WOULD
BE PREPARED TO DISCUSS IMPROVING ITS TERMS, BASED ON
KECO LETTING IT KNOW PRECISE TERMS OF BEST COMPETING OFFER.

5. MGTN HAVE INFORMED BOTH GE AND WESTINGHOUSE WHO SAID
THEY WILL BE CALLING EXIM.

6. REQUEST IMMEDIATE REPLY TO ARRIVE BY 0830 SATURDAY
LOCAL TIME.
STERN

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 27 jan 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978SEOUL00753
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D780040-0602
Format: TEL
From: SEOUL
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780113/aaaaalbj.tel
Line Count: 76
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: a1a970df-c288-dd11-92da-001cc4696bcc
Office: ACTION EA
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
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Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3700479
Secure: OPEN
Status: NATIVE
Subject: KORI 3 AND 4 FINANCING
TAGS: BEXP, KS
To: STATE
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/a1a970df-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
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